(c) the result of such discussions, if any held?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The United States of America (USA) had invited G20 member country Leaders (Heads of States) for a Summit. This G-20 Summit on "Financial Markets and the World Economy" was help in the Washington on 15th November 2008. The Indian Delegation for the Summit was led by the Hon'ble Prime Minister.

(b) The invitation for the Summit proposed/recommended:

(i) to review progress being made to address the current financial crisis, advance a common understanding of its causes, and, in order to avoid a repetition, agree on a common set of principles for reform of the regulatory and institutional regimes for the world's financial sectors which can be further developed by working groups for consideration in subsequent summits.

(ii) to discuss the effects of the crisis on emerging market economies and developing nations.

(iii) to discuss enhancing commitment to open, competitive economies as well as trade and investment liberalisation.

(c) After the Summit Meeting, the Leaders of Group of Twenty (G20) issued a declaration, *Inter alia*, outlining "Root Causes of the Current Crisis", "Actions taken and to Be Taken". Further, the declaration has put forth a comprehensive "Action Plan to Implement the Principles for Reform" as part of the coordinated response to the global financial turmoil. The G20 has proposed to carry forward the commitments in the Summit Declaration by constituting few G20 Working Groups that would have representation from each of the G20 member countries and these working groups would work out the details of the way forward.

Tax collection in Uttar Pradesh

2401. SHRI KAMAL AKHTAR: Will the PRIME MINISTER be pleased to state:

(a) what is the amount collected by way of taxes from Uttar Pradesh in the last three years, year-wise;

(b) what was the amount of Central funds provided to the State during that period, year-wise;

(c) what percentage did the Central funds constitute of the tax collection, year-wise; and

(d) what is the percentage nearly holds for the State?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) The information is being collected and will be laid on the Table of the House.

Licensing of Nifty to Singapore Exchange Limited

2402. SHRI AMIR ALAM KHAN: Will the PRIME MINISTER be pleased to state:

(a) the steps National Stock Exchange (NSE) has taken to control the steep fall in index which has gone down to almost 8000 points in the first week of December, 2008;

(b) the reasons for which NSE has licensed of Nifty to Singapore Exchange Limited (SGX) to run it on Singapore Exchange and the term and conditions thereof; and

(c) the steps which have been taken so far to rationalize the affect of volume shifting to Singapore?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Movements in the Sensex and Nifty are an outcome of perceptions of the investors – domestic and overseas, retail and institutional – about the economy, the sector and the company. This perception is influenced by many factors including the macro-economic environment, the growth potential of the economy, policy credibility of the government, corporate performance, domestic and international events and market sentiments.

The Exchanges and the regulators do not try to manage or control market movements. Their endeavour is to build systems and practices and deepen and broaden markets which can withstand volatility. They have put in place systems and practices to promote a safe, transparent and efficient market and to protect market integrity. The systems instituted include advanced risk management mechanisms comprising on-line monitoring and surveillance, various limits on positions, margin requirements, circuit filters, etc. Measures taken to broaden and deepen markets include: screen based trading system, dematerialization of securities, corporatization and demutualization of exchanges, settlement through clearing corporation, trading in derivatives, etc.

(b) NSE has informed that in order to make the S and P CNX NIFTY Index well accepted in global markets and to facilitate trading of domestic index on the global markets, India Index Services and Products Ltd., (IISL), a joint venture between National Stock Exchange and CRISIL Limited has licensed S and P CNX NIFTY to Singapore Exchange Ltd. (SGX)

As per the conditions of licensing, SGX has the right to list and offer for trading, futures and options contracts based on S and P CNX NIFTY on a non-exclusive basis.

(c) The steps taken to rationalize the affect of volume shifting to Singapore include removal of restrictions on issuance of Overseas Derivate Instruments in October, 2008, permission for cross margining facility across Cash and Derivates segment for the institutional segment in May, 2008 and further extension of cross margining to all participants in December, 2008 which further covers index future positions also.

Indian banks affected by financial crisis in the USA

2403. SHRI RAJKUMAR DHOOT:
SHRI RAHUL BAJAJ:

Will the PRIME MINISTER be pleased to state the exposure of Indian Banks of their overseas subsidiaries to the crisis ridden financial institutions in the United States of America (USA)?